

Department of Defense

211.274-4

enhance logistics, contracting, and financial business transactions supporting the United States and coalition troops. Through unique item identification policy, which capitalizes on leading practices and embraces open standards, DoD can—

- (a) Achieve lower life-cycle cost of item management and improve life-cycle property management;
- (b) Improve operational readiness;
- (c) Provide reliable accountability of property and asset visibility throughout the life cycle; and
- (d) Reduce the burden on the workforce through increased productivity and efficiency.

[70 FR 20836, Apr. 22, 2005]

211.274-2 Policy for unique item identification.

(a) It is DoD policy that DoD unique item identification, or a DoD recognized unique identification equivalent, is required for—

- (1) All delivered items for which the Government's unit acquisition cost is \$5,000 or more;
- (2) Items for which the Government's unit acquisition cost is less than \$5,000, when identified by the requiring activity as serially managed, mission essential, or controlled inventory;
- (3) Items for which the Government's unit acquisition cost is less than \$5,000, when the requiring activity determines that permanent identification is required; and
- (4) Regardless of value—
 - (i) Any DoD serially managed subassembly, component, or part embedded within a delivered item; and
 - (ii) The parent item (as defined in 252.211-7003(a)) that contains the embedded subassembly, component, or part.

(b) *Exceptions.* The Contractor will not be required to provide DoD unique item identification if—

- (1) The items, as determined by the head of the agency, are to be used to support a contingency operation or to facilitate defense against or recovery from nuclear, biological, chemical, or radiological attack; or
- (2) A determination and findings has been executed concluding that it is more cost effective for the Government requiring activity to assign, mark, and

register the unique item identification after delivery of an item acquired from a small business concern or a commercial item acquired under FAR Part 12 or Part 8.

(i) The determination and findings shall be executed by—

(A) The Component Acquisition Executive for an acquisition category (ACAT) I program; or

(B) The head of the contracting activity for all other programs.

(ii) The DoD Unique Item Identification Program Office must receive a copy of the determination and findings required by paragraph (b)(2)(i) of this subsection. Send the copy to DPAP, SPEC ASST, 3060 Defense Pentagon, 3E1044, Washington, DC 20301-3060; or by facsimile to (703) 695-7596.

[70 FR 20836, Apr. 22, 2005]

211.274-3 Policy for valuation.

(a) It is DoD policy that contractors shall be required to identify the Government's unit acquisition cost (as defined in 252.211-7003(a)) for all items delivered, even if none of the criteria for placing a unique item identification mark applies.

(b) The Government's unit acquisition cost is—

(1) For fixed-price type line, subline, or exhibit line items, the unit price identified in the contract at the time of delivery;

(2) For cost-type or undefinitized line, subline, or exhibit line items, the contractor's estimated fully burdened unit cost to the Government at the time of delivery; and

(3) For items delivered under a time-and-materials contract, the contractor's estimated fully burdened unit cost to the Government at the time of delivery.

(c) The Government's unit acquisition cost of subassemblies, components, and parts embedded in delivered items need not be separately identified.

[70 FR 20836, Apr. 22, 2005]

211.274-4 Contract clause.

Use the clause at 252.211-7003, Item Identification and Valuation, in solicitations and contracts that require item identification or valuation, or both, in accordance with 211.274-2 and 211.274-3.

211.275

(a) Complete paragraph (c)(1)(ii) of the clause with the contract line, subline, or exhibit line item number and description of any item(s) below \$5,000 in unit acquisition cost for which DoD unique item identification or a DoD recognized unique identification equivalent is required in accordance with 211.274-2(a)(2) or (3).

(b) Complete paragraph (c)(1)(iii) of the clause with the applicable attachment number, when DoD unique item identification or a DoD recognized unique identification equivalent is required in accordance with 211.274-2(a)(4) for DoD serially managed subassemblies, components, or parts embedded within deliverable items.

(c) Use the clause with its Alternate I if—

(1) An exception in 211.274-2(b) applies; or

(2) Items are to be delivered to the Government and none of the criteria for placing a unique item identification mark applies.

[70 FR 20836, Apr. 22, 2005]

211.275 Radio frequency identification.

211.275-1 Definitions.

Bulk commodities, case, palletized unit load, passive RFID tag, and radio frequency identification are defined in the clause at 252.211-7006, Radio Frequency Identification.

[70 FR 53968, Sept. 13, 2005]

EFFECTIVE DATE NOTE: At 70 FR 53968, Sept. 13, 2005, section 211.275-1 was added, effective Nov. 14, 2005.

211.275-2 Policy.

Radio frequency identification (RFID), in the form of a passive RFID tag, is required for individual cases and palletized unit loads that—

(a) Contain items in any of the following classes of supply, as defined in DoD 4140.1-R, DoD Supply Chain Material Management Regulation, AP1.1.11, except that bulk commodities are excluded from this requirement:

(1) Subclass of Class I—Packaged operational rations.

(2) Class II—Clothing, individual equipment, tentage, organizational tool kits, hand tools, and administra-

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tive and housekeeping supplies and equipment.

(3) Class VI—Personal demand items (non-military sales items).

(4) Class IX—Repair parts and components including kits, assemblies and subassemblies, reparable and consumable items required for maintenance support of all equipment, excluding medical-peculiar repair parts; and

(b) Will be shipped to one of the following locations:

(1) Defense Distribution Depot, Susquehanna, PA: DoDAAC W25G1U or SW3124.

(2) Defense Distribution Depot, San Joaquin, CA: DoDAAC W62G2T or SW3224.

[70 FR 53968, Sept. 13, 2005]

EFFECTIVE DATE NOTE: At 70 FR 53968, Sept. 13, 2005, section 211.275-2 was added, effective Nov. 14, 2005.

211.275-3 Contract clause.

Use the clause at 252.211-7006, Radio Frequency Identification, in solicitations and contracts that will require shipment of items meeting the criteria at 211.275-2.

[70 FR 53968, Sept. 13, 2005]

EFFECTIVE DATE NOTE: At 70 FR 53968, Sept. 13, 2005, section 211.275-3 was added, effective Nov. 14, 2005.

Subpart 211.5—Liquidated Damages

211.503 Contract clauses.

(b) Use the clause at FAR 52.211-12, Liquidated Damages—Construction, in all construction contracts exceeding \$500,000, except cost-plus-fixed-fee contracts or contracts where the contractor cannot control the pace of the work. Use of the clause in contracts of \$500,000 or less is optional.

[60 FR 61594, Nov. 30, 1995. Redesignated at 66 FR 49861, Oct. 1, 2001]

Subpart 211.6—Priorities and Allocations

211.602 General.

DoD implementation of the Defense Priorities and Allocations System is in